

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF EAST KENTUCKY POWER)	
COOPERATIVE, INC. FOR APPROVAL TO)	
ENTER INTO A THREE-YEAR PURCHASED)	CASE NO.
POWER AGREEMENT WITH AMEREN)	2011-00125
ENERGY MARKETING COMPANY)	

INITIAL INFORMATION REQUEST OF COMMISSION
STAFF TO EAST KENTUCKY POWER COOPERATIVE, INC.

East Kentucky Power Cooperative, Inc. ("East Kentucky"), pursuant to 807 KAR 5:001, shall file with the Commission the original and ten copies of the following information, with a copy to all parties of record. The information requested herein is due no later than May 31, 2011. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

East Kentucky shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though

correct when made, is now incorrect in any material respect. For any request to which East Kentucky fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Refer to the Application, Exhibit 2, page 1.

a. Explain the location of the EEI transmission interface and whether Ameren Energy Marketing Company ("Ameren") is directly interconnected to that interface. If Ameren is not directly interconnected, explain the transmission route the power is expected to take to get to the EEI interface.

b. Assuming the power flows into the EEI interface and then onto transmission facilities owned by the Tennessee Valley Authority ("TVA"), describe the locations of the interconnections where the power is expected to pass from the TVA facilities to East Kentucky.

2. Has East Kentucky received the results of the TVA's System Impact Study of transmission availability on the TVA system? If yes, provide the study along with a brief summary if a summary is not included in the study. If no, explain when the study is expected to be available.

3. Provide the Request For Proposals issued by or on behalf of East Kentucky.

4. Provide the bid tabulation sheets prepared by or on behalf of East Kentucky that were used to analyze and rank the bids received.

5. Were any of the bids that were received rejected for reasons other than price? If yes, explain the reasons for the rejection.

6. Explain why a three-year term was chosen for the power purchase, rather than a shorter or longer term.

7. Was each bid received analyzed based on total price including transmission charges to deliver the power to East Kentucky's transmission system? If yes, indicate where the transmission charges related to each bid are reflected in the bid analysis. If no, explain why the transmission charges were not analyzed as part of the cost of each bid.

8. Refer to Exhibit 2, page 60 of the Application.

a. Confirm that Product C is the power that East Kentucky proposes to purchase.

b. Explain whether East Kentucky chose the criteria shown for each product shown for Products A through E. Include in the explanation whether each respondent to the RFP was required to adhere to the same criteria.

9. If an RFP for power meeting the same criteria was reissued today, would East Kentucky expect the same prices and same result, that Ameren is the lowest cost? Explain.

10. East Kentucky has requested approval of a power purchase with Ameren at a price equal to Ameren's non-firm bid price plus a premium to cover any potential pricing increase. Explain whether the price for the Ameren purchase, including the full premium, will be below the price of all other bids received.



Jeff Derouen
Executive Director
Public Service Commission
P. O. Box 615
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DATED MAY 16 2011

cc: Parties of Record

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